

COMMUNICATIONS.

SUB-TREASURY—SPECIAL DEPOSIT SCHEME—STATE DEPOSIT BANKS AND TREASURY NOTES.

NO. VI.

To the Publisher of the Madisonian.

That the question which will ultimately be placed at issue, must be, between re-organizing the State Bank Deposit system, and establishing a National Bank, I do not, for a moment, entertain a doubt. The Sub-Treasury scheme, as well as the Special Deposit scheme, which is the same thing, disguised under another name, must be both abandoned. It will be for those who have advocated and supported the latter, to choose one of the two former alternatives. The more speedily that election is made, the earlier will the question be settled, quietness be restored to an agitated and suffering community, and the monetary affairs of the country be placed again in their wonted regularity, order and stability.

I now devote some space to a portion of the Report of the Secretary of the Treasury, which relates to Banks, his new project, &c. &c.

In regard to the resumption of specie payments by the Banks, the Secretary says:

"Whatever obstacles may still exist to a general resumption of specie payments, few can doubt that as early as can be sustained is urgently demanded by the strongest obligations of morals and law; by justice to the public creditors, consisting of numerous contractors, mechanics, laborers and pensioners, as well as officers; and by all the true interests of the people, whether in private affairs or in the concerns of their Government. In both of their interests in this respect inseparably connected; and in both, do they severely suffer by depreciated paper."

In this there is a clear admission, that the Government is dependent on the banks resuming, to obtain specie to pay the public creditors. But if "justice to the public creditors" as well as "obligations of morals" demand a resumption at the earliest day practicable, is not the Government bound by all these obligations to extend the whole of its influence toward causing the consummation of that event? Are not the interests of the Government, the Banks, and the People inseparably connected in the result of the measure? There can be no doubt of the fact. Then, why has not the Government through the head of the Treasury Department, signified its willingness to extend every aid and facility within its power, and thereby encourage the banks to do the undertaking? The dependence of the Banks on the Government for such countenance to enable them to resume, is not lighter than that of the latter on the former for specie means, to pay the public creditors. The dependence between them is a mutual one.

In place of any such kind feeling having been manifested at any time on the part of the Government toward the Banks, the same report of the Secretary from which the above extract is taken, contains a proposition for the Government to disconnect itself from Banks entirely. It is in the words following:

"On the practicability of keeping the public money under new legislative provisions, without using banks at all as fiscal agents, the views of this department have been so recently explained, as to render a repetition of them unnecessary. It was the endeavor of the undersigned to present with impartiality the advantages and disadvantages of both systems; to show its expediency, if not the necessity, of the new one, in the existing unfavorable attitude of most of the banks; and to leave the result, where it is now left, to the superior wisdom of Congress."

Although the interests of the Government and the banks are "inseparably connected" by all the true interests of the people, as is fully admitted by the Secretary, yet he proposes an entire separation from the banks by the Government, and leave them to get out of their "existing unfortunate attitude," in the best way they can; because, says he,

"It must be manifest to all who examine the subject dispassionately, that either the possession by a few banks of the usual small amount of public deposits, liable at any time to be recalled, or the receipt of their bills for public dues when redeemed in specie on demand, and frequently presented for that purpose, must often be a check rather than an aid—and prove of doubtful advantage in promoting a resumption of the whole money."

Such an argument as this will pass for what it is worth. Has it not been thrown out to carry the mind of the public from the true question, to another? Whether the public moneys are large or small in amount; whether they could remain a long time in the banks, or whether liable to be withdrawn at any time, is a matter of no consequence whatever, and need not be connected with the question of the resumption of specie payments. All the banks ask of the Government is, its friendship instead of its hostility, to inspire, thereby, public confidence to their aid in the undertaking. They neither ask nor wish any of the Government's money to aid them. The contemplated measure of an entire separation, on the part of the Government, is calculated to weaken the confidence, at present reposed in the banks, on the part of the people; and thereby throw additional impediments in the way of their resuming.

The Secretary having in view only the separation from the banks, thus addresses himself to Congress: "The ensuing session will, by its length, probably afford ample time to place our whole financial system on a new basis. Nothing new will be required, except such measures as are rendered necessary by the changes which have arisen from the final discharge of the national debt, and by the more fluctuating character of the receipts and expenditures, as well as by the recent suspension of specie payments on the part of most of the deposit banks."

In this it will be seen, that the Secretary of the Treasury calls on Congress to place "our whole financial system on a new basis," and one of the reasons urged for such change, (which is a change of that system, which has existed from the period of the formation of the Government down to this day,) is "the recent suspension of specie payments on the part of most of the deposit banks!" Here, it will be seen, the Secretary contemplates to leave the banks to work out their salvation alone. Wherein the circumstance has arisen from the "final discharge of the national debt," as well as wherever there exists now a "more fluctuating character of the receipts and expenditures," than has existed for the last twenty years, to call for the proposed change in the "whole financial system" of the country, is not his finding out.

The Secretary proceeds, "The undersigned, feeling a deep conviction that the fiscal affairs of the Government cannot hereafter, under any system, be managed with such facility and vigor as the public service requires, without adopting several legal provisions heretofore recommended, hopes to be excused for briefly inviting the attention of Congress once more to a few of them."

It is not a little remarkable, in my opinion, that during a period of fifty years, within which there was at the head of the national finances, among others equally distinguished for sagacity and experience, a Gallatin, a Dallas, a Crawford, a McLane, and a Taney, and that neither of those distinguished individuals should have ever discovered that under the system which has existed throughout, the fiscal affairs of the Government could not be managed with such "facility and vigor as the public service" required! It has, however, been reserved to the extensive researches of the proposer of the Sub-Treasury scheme first to make that discovery.

The following is the first proposition suggested by the Secretary:

"That a contingent authority be given to some appropriate officer, to invest safely any considerable surplus which shall occasionally occur in the receipts beyond the expenditures, and to dispose of such investments when deficiencies may happen which require it."

A similar proposition has heretofore been frequently made from the same quarter. On one occasion it was entertained and acted on in the Senate; when, it was well understood that body, three of which members of those who voted, out of compliance to the mover's proposition.

So long as the representatives of the people seek

to preserve the objects of our National character, by preventing the great fiscal department of the government from being sunk to the level of a common hucksters' shop, I apprehend the proposition will not obtain increased favor. It would be establishing a means of fraud and corruption unknown in this country. The extent of the immoral transactions to which such a system, if authorized by law, would throw open the door, would be of a hundred fold importance, to any policy which could be devised through the interest that would accrue on the stocks while held.

The second proposition of the Secretary is the following:

"That a limited power be granted to issue Treasury notes for mere temporary purposes, in case of deficiencies, when no such surplus exists, and to redeem as excess may happen. Besides other obvious reasons in favor of such a provision, it would enable the Department to administer the finances with at least two or three millions less in the Treasury at any one time than would otherwise be necessary. In fixing the system on a durable basis, the great of the power must be expended, as a prudent arrangement, whatever course may be pursued, should be pursued in regard to the recall of the present large deposits placed by the General Government with the States."

Few will fail to perceive, I apprehend, that this proposition contemplates, though under another name, the paper part of a TREASURY BANK. This, I hardly think a majority of Congress will give their assent to at present. The consideration of conducting the finances of the Department, "with two or three millions less in the Treasury," I imagine will be found of too trivial importance to induce Congress to grant so independent and dangerous an authority. On the subject of Treasury Notes I shall treat more fully hereafter.

The third proposition of the Secretary is the following:

"That the additional duties of general depositaries be imposed on all receivers and collectors of public money, and on the Mint and on its branches, as well as the Treasurer at the seat of government, under such regulations, in respect to disbursements and transfers, as have before been indicated. This change might judiciously include an authority to employ separate depositaries, special or general, individual or corporate, under the circumstances and responsibilities suggested at the late session, if the amount in possession of any collecting officer should generally exceed what is well secured by official bonds."

In this proposition is contained, all the elements which are to constitute the Sub-Treasury scheme. The evils resulting from which, I have fully described in a former number. It will be perceived that the originally proposed Sub-Treasury scheme is to form the prominent and permanent foundation of the plan. The authority which is suggested, that might be embraced to employ separate depositaries is altogether contingent, and is qualified with the little conjunction "if." As I have before suggested the imposing of additional duties on receivers and collectors of public money will inevitably lead to most persons of responsibility and probity of character, declining to hold the situations, with the imposed additional duties on them, and increased responsibilities also, while no additional compensation is proposed. But few prudent men, I imagine would be found, for any compensation, to accept of the situations with all the risk, responsibility and danger which would attend them.

The effect of this scheme, of employing individuals appointed by the President and removable at his will, to become the keepers of the public money, and thus bringing it within his immediate control; the little reliance to be placed on the bondsmen, in case of default on the part of the principal; as well as of the uncertainty and neglect which it is said have heretofore been experienced from one class of those who it is now proposed to make keepers of the public money (the Receivers) I have heretofore remarked upon, in some of my former numbers too elaborately to require additional comment now.

The Secretary concludes these two or three other propositions, with the following:

"In the consideration of these propositions, the present condition of the finances and of the country is a circumstance of the first and most decisive importance. We are without any national debt to absorb and regulate surpluses, or any adequate supply of banking institutions which provide a sound currency for general purposes by paying specie on demand, or which are in a situation fully to command confidence, for keeping, disbursing, and transferring the public funds in a satisfactory manner. It will not, then, be a matter of surprise that the undersigned, feeling fully and most sensibly the difficulties, as well as great responsibility, of conducting the concerns of the Treasury without the adoption of these measures, should press upon the earliest consideration of Congress, with an earnestness and perseverance that might otherwise not appear justifiable."

It would appear, for the admission is exclusive, in the foregoing, that all these new measures which are recommended, even to an entire change of the basis of our financial system, which has been acted on for nearly half a century, are called for and pressed "upon the earliest consideration of Congress, with an earnestness and perseverance that might otherwise appear justifiable" to relieve the Secretary of the Treasury from "THE DIFFICULTY AS WELL AS GREAT RESPONSIBILITY OF CONDUCTING THE CONCERNS OF THE TREASURY WITHOUT THE ADOPTION OF THESE MEASURES!"

It may be fairly inferred from the foregoing extract, that Congress is left with one of two alternatives; either to adopt the measures suggested and so importantly urged by the Sec., or without their adoption, from the great responsibility in conducting the concerns of the Treasury, under the present, or "under any system" in their absence, to lose his valuable services. That would be an unfortunate event. I can place no other construction on the language of the Secretary, in case Congress shall decline to adopt the measures which he has suggested.

We have most certainly "an adequate supply of banks" though they do not unqualifyingly pay specie on demand. Let the Government cease its hostile attitude toward the banks, and extend towards them one of good will and kind feeling, and we should speedily thereafter be furnished with an "adequate supply of banking institutions," to "provide a sound currency for general purposes by paying specie on demand;" COMMAND CONFIDENCE, FOR KEEPING, DISBURSING, AND TRANSFERRING THE PUBLIC FUNDS IN A SATISFACTORY MANNER."

In place of Congress entertaining at all, any of the propositions suggested by the Secretary, for the purpose of relieving him from the responsibility attending the management of the finances, which he now experiences, and which it is intimated would attend any other system but the one he has suggested; let Congress soon pass an act embracing the principles of the joint resolution of April, 1816, fixing the 1st day of May next, as the period after which the public revenue shall be received only in legal currency or the notes of banks which pay on demand all their obligations in specie; authorize, at the same time, the appointment of a limited number of the most respectable State Banks which shall have resumed specie payments unqualifyingly, to be employed in such places as the convenience of the Treasury Department calls for, to aid in its fiscal affairs, to place at the credit of the Government as specie all the moneys deposited with them, and on the other conditions embraced in my fourth number; and with a talented head of the Treasury Department, able and willing to take all proper responsibility, I do not doubt, that before Congress adjourns, specie payments will be pretty generally resumed, a sound currency generally re-established; "shin plaster" currency be entirely abolished, and a metallic one established in their place.

In the views which I have taken on the subjects contained in this number, I feel well convinced I shall be sustained by all sound political economists and practical financiers.

VALERIUS PUBLIUS.

Flora was plenty at Pittsburgh on the 16th inst. at \$5 to \$6 per 25.

At Cincinnati, on the 7th it was dull at \$6 25.

To the Editor of the Madisonian.

When I sent you the "Outlines of a plan for re-organizing and disbursing the public revenue," which is in your paper of the 30th September, it was my intention to furnish a more full detail of the plan and its practical operation and effect upon the financial and commercial interests of the country, if Congress should not establish a system during the special session.

I believe it is of little consequence to these interests, to the people, or to the bank, whether Government officers (under the Sub-Treasury scheme) or the banks receive, either in special or general deposit, and disburse the public revenue, provided the Government does not insist on specie only in receipts and payments, regardless of the injurious effects upon the business of the country and the convenience of the public creditor who would rarely wish to be burthened with specie. The President considers all interference with the operations of the banks as injurious to them and the public. I fully agree with him, and for this reason should object to the adoption of any system, which required collections and payments to be made exclusively in specie, as unnecessary, vexatious, productive of no beneficial effects whatever, continually interfering with the fair and legitimate business transactions of the banks and the community.

While I should oppose any system compelling the public creditor and receiver to receive when inconvenient and burthenous, I would have the Government always ready to pay it if desired; no man should be compelled to take his pay in anything but the legal currency.

Without any interference or injurious effects upon the business of the country, I think on my plan the public revenue could be safely and economically collected and disbursed.

The officers would be substantially banks of deposit, not interfering with the business of the local banks, making no loans, and having no favors to bestow, would create no political hostility. If experience should prove that the public interest required exclusive specie payments, the system and machinery would be ready and adapted to that, with little alteration.

The plan contemplates 8 or 10 offices, located in various parts of the Union. I will take an office at New York as an example. It should be concentrated all the moneys collected in the States of New York and Connecticut.

The officers should be a receiver and board of directors, with a sufficient number of clerks. The directors, say 8 in number, to be experienced financial men appointed by the President and Senate, to hold meetings once or twice a week, and have a supervising power over the business of the office similar to directors of banks, advising and instructing in the various business which might be done, such as contracts with banks, the description of bank notes to be received, amount of specie to be kept on hand, calls for balances, mode of transfers, &c. &c. They might also make reports to the Treasury Department, recommending such measures as they may deem advisable for the collection and safe keeping of the funds, &c.

The office to keep accounts with all the city banks, or such of them as the board should direct, sending home daily such bank notes as were not wanted for daily disbursements, receiving Treasury notes (if issued) and Treasury drafts. There should be in deposit from half a million to a million of dollars in specie.

The moneys collected at all other places in the two States to be deposited by the public officers in the local banks, with which arrangements should be made to remit to the New York office at such times as might be agreed on.

All balances at city or country banks to be paid in specie if required.

Should the moneys temporarily accumulate beyond the wants of the Government, agreements might be made by the office with the banks to receive on interest till wanted.

The Government to draw on the receiver for all disbursements, which should be paid in specie bank notes or Treasury notes, (if issued,) at the option of the payee.

The expenses of the New York office are estimated as follows:

Rent and office expenses, stationery, &c.	\$6,000
Receiver's salary,	4,000
Clerks' salary,	8,000
Eight directors, \$5 per day, each twice a week, say	2,000
	\$20,000

The expenses of an office at New York would far exceed the others, and it is estimated that ten offices would not cost over \$120,000 per annum. An annual interest of 3 per cent on \$5,000,000 surplus revenue on hand, would amount to \$150,000, or more than all the expense.

These offices would relieve the department of all the labor of examining into the responsibility of banks, and a board of local directors would probably judge more correctly as to their standing and safety, and being near, could with more promptitude withdraw funds from an unsound institution, and if any bank did not keep a reasonable amount of specie, could advise that the funds would be withdrawn or their bills refused.

The government might, if thought advantageous for facilitating exchange, issue Treasury notes to the public creditor, to an amount not exceeding the specie in hand, the use of which in the business of the country would not be lost, if thus represented by Treasury notes.

Should the government have reason to apprehend a general overtrading and excessive issues of the banks, it could readily create a salutary check, by directing the offices to call in their balances and strengthen themselves, and if the banks needed any aid which the Treasury could properly grant, it could be done by suffering balances to remain, temporarily issuing Treasury notes.

It is believed all the banks having accounts with the offices would be induced to keep more specie, and the public moneys would be more safe by being in smaller amounts and more equally divided; and no complaint could be made of undue favoritism; if the office kept, as it should, the best account in the safest and strongest banks. The greatest inconvenience in the recent system of depositing in the State Banks, was probably the overloading them with funds, which should have been diffused among a greater number of banks.

If the Committee of Congress should call before them experienced financial, commercial, manufacturing and agricultural gentlemen from the city and country, through various parts of the Union, and examine them on oath in the manner of the British parliamentary committees, as to the effects of the various systems proposed upon the great interests of the country, embodying this testimony in their report, I think that body would be much better able to perfect such a system as would be satisfactory and permanent. The interests of all classes and all parts of the country should be considered; the government has no right to neglect them and look solely to its own immediate advantage. A mode of collection which would suit one part of the country would be unfavorable to another, what would be favorable to one interest would be prejudicial to another; the most skillful financiers have different views; the city has different interests from the country; the East, West, North and South, should all be consulted, and from their whole mass of testimony a good system might be devised.

A BANKER.

As a specimen of the liberal and tolerant spirit of the *Washington Globe*, with whom we have for years exchanged, has recently "cut our acquaintance" and refused to send us their paper—probably because we have been obliged respectfully to differ with that print in relation to the expediency of adopting the Sub-Treasury scheme.—*Harford Patriot and Democrat.*

THE MADISONIAN.

WASHINGTON CITY.

THURSDAY, DECEMBER 21, 1837.

OFFICE 2 STREET, BETWEEN NINTH AND TENTH.

IN THOSE THINGS WHICH ARE ESSENTIAL, LET THERE BE UNITY—IN NON-ESSENTIALS, LIBERTY, AND IN ALL THINGS CHARITY.—Augustus.

CORRESPONDENTS.

The President said in his late message at the Extra Session that the public mind could not fail to be benefited by free and full discussion. Our correspondents are profiting by the hint as will be observed by the communications of "Valerius Publius" and "A Banker." We need not say that we do not expect to be held accountable for all the opinions of our correspondents, but it seems to us that the latter paragraph of Valerius Publius urges a proposition, upon which all our friends can very easily unite. It does not differ materially from the plan proposed by the Richmond Enquirer, except in name.

Let the public dues be collected in gold and silver, or the notes of specie paying banks, and the banks, receiving them as fiscal agents of the Government, passing such notes as they are willing to receive as specie, to the credit of the Government as cash. It is precisely what we desire—and we are willing to go for it, although it should be called the Special Deposit scheme.

To show how little we differ from the Enquirer except in terms, we give the remarks of the editor of that paper threw out a few days since. The editor may call such a plan a special deposit if he chose; it suits our views very well.

"But, this we are now prepared to say, that if our friends would meet on this common ground—throw the public revenues as a special deposit in the State banks as soon as they resume specie payments after April next; and receive either gold and silver, or the paper of such specie paying banks as the deposit banks will credit as cash, we should be content. The system will safely keep and disburse the public funds, without enlarging the Executive patronage, and offending the sentiments of the people; and the previous arrangement of such a provisional system will encourage the State banks, and smooth the way to the resumption of specie payments."

LACK OF SAGACITY.

A great portion of the truth, says Seneca, lies concealed to him who wants discernment; and nobody is so blind, says the old adage, as those who will not see.

How strikingly are these truths daily illustrated by the advocates of the Sub-treasury scheme, which has neither found support in the popular branch of Congress, nor among the people; and yet is still urged and still "calmly but firmly" persisted in by the councils of the Cabinet, and the reiterated recommendation of the President.

What has changed more than a hundred thousand votes and voices of American freemen in two months against the Administration?

Nothing but the Sub-treasury scheme, which is as "revolutionary and disorganizing" to the Administration party as to the principles of the Government.

What, in the name of prophecy, or of patriotism, but this scheme, has changed the hearts and the hands, the tongues and pens and votes and voices of the Republican party against the administration of their choice and their creation? Nothing on earth—nothing.

The people of this country believe—and no sophistry can take from them that belief, any more than it can take from them their reliance on Providence, and their hopes of salvation—the people of this country believe, that this "SCHEME," (in the language of the official organ) is "DISORGANIZING AND REVOLUTIONARY! SUBVERSIVE OF THE FUNDAMENTAL PRINCIPLES OF OUR GOVERNMENT, AND OF ITS ENTIRE PRACTICE FROM 1789 DOWN TO THIS DAY!"

With this belief and conviction, and with the sentiments of indignant aversion and hostility they have inspired, the American people have, like the abused and royal maniac, bestowed upon this SCHEME their deadliest malediction, as an "unnatural daughter;" and in the language of the indignant monarch, they say to those, who, like "Burgundy," are about to "wed" it:—

Will you, with those infirmities she owes, Unfriended, new-adapted to our state, Dower'd with our curse, and stranger'd with our oath, Take her, or leave her!

NEW YORK AND SOUTH CAROLINA.

The present position of these states toward the national administration, compared with the past, is striking and curious.

New York gave an overwhelming vote for "her favorite son" in the last Presidential election, and South Carolina went as decidedly against what some of the consistent politicians of that state were in the habit of stigmatizing as the "Royalist" party, (meaning the party supporting Mr. Van Buren.) In 1833, when Nullification reared its head in South Carolina, and threatened forcible rebellion against the laws of Congress, New York was found in her whole strength by the side of her patriotic President, and sustaining the famous proclamation. Then too, if we mistake not, South Carolina was the advocate of a National Bank, while New York and "her favorite son" were declaring "uncompromising hostility against" such an institution in any shape.

New York established the Safety Fund system through the counsels of Mr. Van Buren, and sustained President Jackson in his policy of employing the State Banks as Government depositories, and of rendering the revenue power auxiliary to a practical reform in the general currency of the country. South Carolina opposed every thing of the sort and advocated the grand panacea of a National Bank. In the wholesome, and Republican policy of those times, the general administration was sustained by a large majority of the States, and the Republican party were united in conscious rectitude and security. Now, presto! what a change! The policy of Gen. Jackson is renounced and repudiated by the general administration, and its supporters are denounced as federalists, heretics, renegades, traitors, and by every other epithet, which the reader may find in the vernacular tongue of the *Globe*. The old blue light federal doctrine of enlarging the power of the executive, and restricting that of the sovereign people

has taken the place of republican policy; an exterminating war is declared against State institutions; a course is chalked out clearly calculated to secure the establishment of a National Bank; New York, sagacious New York, turns against the unexpected declaration of "her favorite son," and South Carolina forgets her enmity, and yields the tribute of her admiration and support at the feet of those who have forsaken their early loves, and fallen back upon her policy and into her embrace! May it not prove the embrace of the Boa Constrictor!

We have received a communication from Mr. Max in vindication of his course at the late special session, and in answer to resolutions recently published in the *Globe*, but too late for insertion in this day's paper. We will endeavor to publish it in our next.

DIVERSITY OF OPINION—FREE DISCUSSION.

The late message of the President in relation to the foregoing topics, when referring to the Sub-treasury scheme, says:

"It was hardly to be hoped that changes so important, on a subject so interesting, could be made without producing a serious diversity of opinion; but so long as those conflicting views are kept above the influence of individual or local interests; so long as they pursue only the general good, and are discussed with moderation and candor, such diversity is a benefit, not an injury."

Concurring fully in the importance of free and unrestrained discussion of all subjects of great National concern, we have followed the example of the veteran editor of the Richmond Enquirer, and invited through our columns free and temperate discussion of the Sub-Treasury by both opponents and advocates of the scheme.

The official organ, as may be supposed, does not concur in the language and opinion of the President; as we have noticed from the commencement of the discussion, that the articles both original and quoted are confined entirely to one side of the question.

"FLOATING SCUM."—Rich. Enq.

We take the following from the *Globe*. Does the *Globe* represent the views of the President?—and is this a specimen of the "conciliation, concession and compromise" of "brethren" in high quarters? Is this the manner of tolerating differences of opinion?

"The late defeat of the Democracy is considered as more grievous than otherwise. The chaff is now winnowed from the grain—the tares separated from the wheat—and the corn and tares, who have long gorged under the mask of Republicanism at the expense of the community, left herded together—a by-word of scorn, and the finger-mark of honest Democratic indignation."

BAD RULES WORK BUT ONE WAY.

The editor of the *Columbus (O.) Statesman*, (a Van Buren journal,) who was the State Printer, complains, we perceive, that Governor Vance did not furnish him the first copy of his Message, instead of giving it to the editor of the *Register*; yet the publishers of the *Register* were not "directed" by the Governor (Ohio) to furnish (the editor of the *Statesman*) with as many copies of his Message as (he) may need to lay on the tables of the members of the House of Representatives, if the Governor had so done, the editor of the *Statesman* would have had more just grounds for complaint.

LIGHT BREAKING UPON THE DEMOCRACY OF THE EAST.

Our readers will observe by the subjoined article, that the *EASTERN REPUBLICAN*, published at Bangor, Maine, the second oldest democratic paper in that State, and one of the earliest in New England that espoused the election of ANDREW JACKSON to the Presidency, has changed hands, and boldly avows doctrines most decidedly adverse to *loco-focoism*, and untried experiments, and in support of State institutions and of old fashioned democracy. We regard this event as an additional sign to the times, that bespeaks a warning to those, who are sincerely desirous of practising what they so loudly preach—"union, harmony, self-denial, concession, every thing for the cause, nothing for men!"—to abandon the destructive policy that is laboring to plunge the democracy of this nation into an indiscriminate war upon the banking institutions of the several states, under the false cry of divorcing the Government from banks. We hail with joy every new opportunity that is afforded to the people, of having spread before them the unsavory facts and arguments that stood opposed to the Sub-treasury scheme, and all its phases. These are now, by a systematic course of surveillance in the press of several of the states, entirely suppressed, and kept from the people. The presses that are under the muzzling influences to which we allude, dare not admit a temperate discussion of both sides of this measure in their columns, and will not suffer one of their democratic supporters, who is honestly opposed to it, to lay bare to their readers the facts and arguments upon which his opinions and judgment are founded. But as sure as that the sun has power to break through the temporary mists of the morning, so sure will LIGHT, and TRUTH, and INTELLIGENCE, and REASON, break in upon the democracy of this nation, in regard to this alarming and ruinous measure, and veto it in a tone of indignant reprehension that will not be lost in its influence upon the councils of the democratic party for years, and through generations to come. It is possible yet for Maine, for New York, for other states, that have recently rebuked the policy of the administration upon this matter, to be brought back to the administration. But in vain will all labor for that purpose be spent, while a vestige of the Sub-treasury scheme is adhered to.

From the Eastern Republican.

With the present number the Republican changes its proprietorship. Whenever a new paper is started or an old one changes hands, the public upon which it relies for patronage and support, has a right to know the course it will pursue. If at a time when the Republican journal differs so widely upon leading questions of State and National poli-

cy, it may not be sufficiently definite to say the Republican will continue to be conducted upon Democratic principles, we will rather say, that we plant ourselves upon the broad platform of Republicanism, and here we shall do battle in the cause of human liberty. But in prosecuting our labors, we shall not forget, that as great genius, unaided by the light of experience, often borders upon madness; so the assertion of natural rights, divorced from the conventional modifications constituting the social fabric, tends to a dissolution of society into its original elements. Without their aid, man returns to the chase, or indeed as the air he breathes, but with no other protection than his own individual prowess. Conventional morals and revealed religion, must, therefore, be revered, and their institutions maintained, if we would not again relapse into a state of barbarism.

These principles are acknowledged in our bill of rights—they have been universally acted upon by our illustrious statesmen, and have never been gained, except by visionary enthusiasts who deal in abstractions, and their deluded followers, who either lack the time or capacity to understand the complex machinery of a free government.

When we look abroad through the great community of nations and witness their different degrees of civilization—the diversity of character, climate and pursuits, we see at once the impossibility of subjecting them to Frobenius' iron bad. The rude native of Owyhee, and the polished citizen of Paris, the herdsman in the mid Alpine solitudes, and the London banker, who regulates the commerce of the world, require a diversity of laws for their protection, and the full development of their usefulness to their respective states. And yet so intimate is the connection between nations, and so mutually dependent are the different trades and occupations, that the prosperity of one is measurably dependent upon the success of all the others.

These principles are doubly applicable to the United States, bound as they are in one great confederacy, with power to legislate for the general welfare. Here new conventional rights have resulted from our form of government, based not upon the implied, but express consent of the people of the respective States. The citizen is entitled to protection in his person and property, and in the acquisition of wealth, not only in his own State, but throughout the Union; and this paper will ever be found vindicating the majesty of the Constitution and laws, and holding up to merited reprehension, both principles and accessories, in all overbreakings of popular violence. In maintaining the principles of equality, we shall not run into the folly of leveling all distinctions, between idleness and industry, ignorance and wisdom, vice and virtue; but shall claim for every citizen respect and consideration in proportion to his merits. While our voice is raised against monopolies, and claims for the State, we shall not run into the right to annul and modify charters whenever the public good requires, we shall encourage to the extent of our ability, every individual and corporate enterprise that tends to the development of our natural resources, or adds to the wealth, the power, and the grandeur of the Nation. Believing in the natural dependence of all classes, and that the prosperity of the people is retarded by every obstruction of the channels of communication between the producer and consumer, we cannot but aid legislation that goes to crumple or embroil any one interest, and especially that which tends to the Union; and this paper will ever be found vindicating the majesty of the Constitution and laws, and holding up to merited reprehension, both principles and accessories, in all overbreakings of popular violence. In maintaining the principles of equality, we shall not run into the folly of leveling all distinctions, between idleness and industry, ignorance and wisdom, vice and virtue; but shall claim for every citizen respect and consideration in proportion to his merits. While our voice is raised against monopolies, and claims for the State, we shall not run into the right to annul and modify charters whenever the public good requires, we shall encourage to the extent of our ability, every individual and corporate enterprise that tends to the development of our natural resources, or adds to the wealth, the power, and the grandeur of the Nation. Believing in the natural dependence of all classes, and that the prosperity of the people is retarded by every obstruction of the channels of communication between the producer and consumer, we cannot but aid legislation that goes to crumple or embroil any one interest, and especially that which tends to the Union; and this paper will ever be found vindicating the majesty of the Constitution and laws, and holding up to merited reprehension, both principles and accessories, in all overbreakings of popular violence.

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